Capital subsidy to private sector for rural electrification

1563. SHRI S. P. M. SYED KHAN: Will the Minister of POWER be pleased to state:

<a) whether Government propose to provide substantial capital subsidy and other finances to the private sector in the area of rural electrification after revising the National Electricity Policy;

(b) the projected benefits of this proposal; and

(c) the details regarding the safeguards put in place by Government for its capital subsidy to the private sector?

THE MINISTER OF POWER (SHRI P.M. SAYEED): (a) to (c) As per existing guidelines for rural electrification programme of one lakh villages and one crore households, about 40% of the capital cost could be given as subsidy to Rural Electricity Provider. Panchayats, Co-operatives, NGOs, Users Associations, Franchisees, State/Regional utility or any individual/ 1 entity can become Rural Electricity Provider.

These guidelines have been issued to give boost to rural electrification in the country.

However, in order to avail of capital subsidy Rural Electricity Provider must ensure active participation of beneficiaries through Panchayat Raj Institutions, Consumers Co-operatives/associations, NGOs etc. Further the subsidy would be linked to sustained delivery of electricity to the targeted beneficiaries.

Additional power to Karnataka from Eastern Region

1564. DR. VIJAY MALLYA: Will the Minister of POWER be pleased to state:

(a) whether the State Government of Karnataka had requested for additional allocation of power to the extent of 337 MW from Eastern region to offset the high cost of power generated by liquid fuel as was done in the case of Kerala and Tamil Nadu;

(b) the reaction of Government to the proposal; and

(c) by when the formal approval to the proposal is expected?

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†Original notice of the question was received in Hindi.